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## Georgia Department of Revenue Informational Bulletin SUT 2009-07-20 Zoological Institution Exemption

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- 1) **Purpose/Subject:** This informational bulletin explains the Georgia sales and use tax exemption for sales of tangible personal property to, or used in or for the renovation or expansion of a zoological institution. This exemption is available to zoological institutions, as well as contractors and subcontractors that purchase tangible personal property to be used in the renovation or expansion of a zoological institution.
- 2) **Effective Date:** July 1, 2009.
- 3) **Supersedes:** All previous documents and any oral directives in conflict herewith.
- 4) **Authority:** O.C.G.A. § 48-8-3(87), O.C.G.A. § 48-8-63, O.C.G.A. § 48-2-35.1
- 5) **Scope:** An informational bulletin is intended to provide guidance to the public and to Department personnel. It is a written statement issued to apply principles of law to a specific set of facts or a general category of taxpayers. An informational bulletin does not have the force or effect of law, and is not binding on the public. It is, however, the Department's position and is binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or advisory opinion.
- 6) **Issues:**
  - a) How will the exemption provided under O.C.G.A for zoological institutions be administered by the Department?
- 7) **Discussion of Issues:**

The zoological institution exemption statute O.C.G.A. § 48-8-3(87) provides as follows:

(A) Notwithstanding any provision of Code Section 48-8-63 to the contrary, from July 1, 2009, until June 30, 2011, sales of tangible personal property used for and in the renovation or expansion of a zoological institution.

(B) As used in this Code section, the term “zoological institution” means a nonprofit wildlife park, terrestrial institution, or facility which is:

(i) Open to the public, that exhibits and cares for a collection consisting primarily of animals other than fish, and has received accreditation from the Association of Zoos and Aquariums; and

(ii) Located in this state and owned or operated by an organization which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

#### Zoological Institutions

The term 'zoological institution' is expressly defined in the statute as a nonprofit wildlife park, terrestrial institution, or facility which is open to the public, that exhibits and cares for a collection consisting primarily of animals other than fish, and has received accreditation from the Association of Zoos and Aquariums; and is located in this state and owned or operated by an organization which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code .

Any zoological institution that does not meet the definition provided in the statute will not qualify for the exemption. The zoological institution exemption ends June 30, 2011. O.C.G.A. § 48-8-3(87).

#### Notwithstanding O.C.G.A. § 48-8-63

The exemption is qualified with the phrase “notwithstanding any provision of Code Section 48-8-63 to the contrary.” Therefore, the exemption is available to zoological institutions, contractors and subcontractors who purchase tangible personal property to be incorporated into an eligible zoological institution. Typically, contractors and subcontractors are deemed to be the end users of the tangible personal property purchased for incorporation into real property construction and are subject to the payment of sales and use tax.

#### Contractors and Subcontractors

Contractors and subcontractors may purchase tangible personal property to be used for and in the renovation or expansion of a zoological institution without payment of sales and use tax when issued an exemption certificate by the Department of Revenue.

#### Application Process for Zoological Institutions

Zoological institutions seeking this exemption must first apply for an exemption certificate by submitting a letter application. The letter application must contain the following information:

1. Name of the zoological institution;
2. Location address;

3. Mailing address;
4. Name and telephone number of contact person;
5. Federal Employer Identification Number or Social Security Number;
6. Georgia withholding registration number;
7. Georgia sales and use tax registration number(s);
8. List of owner(s), partners, managing members, or officers.
9. Copy of institution's 501(C)(3) determination letter as issued by the Internal Revenue Service (IRS).
10. General description of items of tangible personal property to be purchased; and anticipated cost of purchases.

#### Application Process for Contractors and Subcontractors

Contractors and subcontractors seeking this exemption must first apply for an exemption certificate by submitting a letter application. The contractor or subcontractor letter application must also contain the following information pertaining to the general contractor or subcontractor:

1. Name of general contractor or subcontractor;
2. Name of the zoological institution;
3. Principle location of contractor;
4. Contractor's Mailing address;
5. Name and telephone number of contact person for contractor;
6. Contractor's Federal Employer Identification Number or Social Security Number;
7. Contractor's Georgia withholding registration number;
8. Contractor's Georgia sales and use tax registration number;
9. List of owner(s), partners, managing members, or officers of contractor;
10. General description of items of tangible personal property to be purchased and anticipated cost of purchases to be made by the contractor.

#### Where to Submit Letter Applications

Applicants must submit the letter application and supporting documentation to:

Andrea Shepard, Tax Policy Analyst  
Tax Law and Policy  
Georgia Department of Revenue  
1800 Century Blvd., N.E., Ste. 15311  
Atlanta, GA 30345

Telephone: (404) 417-6656  
FAX: (404) 417-6651

### Exemption Certificate

The Department will administer the zoological institution exemption through the issuance of an exemption certificate. Any person making a sale of tangible personal property to an zoological institution, or for use in or for the renovation or expansion of an zoological institution, shall collect the tax imposed on the sale unless the purchaser furnishes an exemption certificate issued by the commissioner certifying that the purchaser is entitled to purchase the tangible personal property without payment of tax.

### Exemption Certificate Limitations

1. Purchasers must provide a zoological institution exemption certificate to suppliers when purchasing items to be used in the renovation or expansion of a zoological institution. Otherwise, suppliers are required to collect tax on the sales.
2. Zoological institution exemption certificates are non-transferable. Only the specific taxpayer listed on the certificate is entitled to the exemption.
3. Purchasers must pay suppliers using a check or credit card bearing the name of the taxpayer listed on the exemption certificate.
4. Suppliers/purchasers must maintain all invoices, purchase orders, and a copy of the exemption certificate relating to sales of tangible personal property to, or used in or for the renovation or expansion of a zoological institution for inspection by the Department of Revenue.
5. Exemption certificates shall not be valid after June 30, 2011.
6. General contractors and subcontractors must provide each dealer with a copy of the exemption certificate issued by the Department of Revenue.
7. The sales and use tax retainage requirement in O.C.G.A. § 48-8-63 shall not apply to any general contractor or subcontractor who is issued a limited letter of authorization to purchase items of tangible personal property for an eligible zoological institution renovation or expansion project.
8. The nonresident registration and bonding requirements contained in O.C.G.A. §§ 48-13-31 and 48-13-32 are not affected by this exemption.

### Refunds of Taxes Paid in Error

If an exemption certificate issued by the commissioner certifying that the purchaser is entitled to purchase qualifying tangible personal property without the payment of sales and use tax has not been obtained or is not used to purchase such tangible personal property, a refund of sales and use taxes may be requested by submitting a Claim for Refund (Form ST-12) and Waiver of Vendor's Rights (Form ST-12A). Any sales and use tax determined to be paid in error shall be refunded without interest pursuant to O.C.G.A. § 48-2-35.1.

**FOR MORE INFORMATION**

**For more information on this subject, contact the Taxpayer Services Division at 404-417-4300,  
from 8:00 am to 4:30 pm EST, Monday through Friday, excluding holidays.  
Persons with hearing or speech impairments may call our TDD number at 404-417-4302.  
For forms and other information, visit our website ([www.dor.ga.gov](http://www.dor.ga.gov)).**

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